



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.bpu.state.nj.us

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF)
COMMPARTNERS, LLC FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY)
TO PROVIDE LOCAL EXCHANGE AND)
INTEREXCHANGE TELECOMMUNICATIONS)
SERVICES WITHIN THE STATE OF NEW JERSEY

ORDER

DOCKET NO. TE05090776

(SERVICE LIST ATTACHED)

BY THE BOARD:

Pursuant to N.J.S.A. 48:2-1 et seq. and Section 253 of the federal Telecommunications Act of 1996, 47 U.S.C. §151 et seq., and by letter dated August 31, 2005, CommPartners, LLC ("Petitioner" or "CommPartners") filed a Petition with the New Jersey Board of Public Utilities ("Board") requesting a Certificate of Public Convenience and Necessity to provide facilities-based local exchange and interexchange telecommunications services throughout the State of New Jersey.

CommPartners is a limited liability company organized under the laws of the State of Nevada. CommPartners Holding Corporation is a parent company of CommPartners and CommPartners Network Services, LLC, an unregulated service company that provides back-office support and Voice Over Internet Protocol ("VOIP") services to its wholesale customers. Petitioner's principal offices are located at 3291 North Buffalo Drive, Suite 3, Las Vegas, Nevada 89129-7437.

Petitioner has submitted copies of its Articles of Incorporation and Certificate of Existence with status in Good Standing from the State of Nevada and its New Jersey Certificate of Authority to Operate as a Foreign Limited Liability Company. According to the Petition, CommPartners was formed to provide facilities-based local exchange and interexchange telecommunications services within the State of New Jersey. Petitioner states that it is currently authorized to provide and is providing competitive local exchange and interexchange telecommunications services to less than one hundred (100) customers in each of the following states: California, Colorado, Florida, Georgia, Hawaii, Idaho, Kentucky, Massachusetts, Montana, Nevada, New York, North Dakota, Oregon, Pennsylvania, South Carolina, Texas, Utah and Wyoming. Petitioner further states that it has applications either pending or being prepared for filing in the remaining thirty-one (31) states, and it intends to have operations begun in the remaining jurisdictions by the end of the first quarter of 2006. Petitioner states that it has not been denied

authority to provide telecommunications services, or been the subject of any civil or criminal proceedings, and that its authority has not been revoked in any jurisdiction. Petitioner states that it plans on adopting an already-existing interconnection agreement between Level 3 Communications and Verizon New Jersey. Petitioner also states that it has completed an interconnection agreement with United Telephone/Sprint in other states and is negotiating for similar terms in New Jersey. Petitioner will complete these negotiations after its petition is approved by the Board. Petitioner has also entered into a one (1) year, renewable contract with Internap, a managed Internet aggregation company, to manage Petitioner's VOIP traffic that originates with non-dedicated broadband access.

Petitioner seeks authority to provide facilities-based local exchange and interexchange telecommunications services to both residential and business customers throughout New Jersey. Petitioner states that its network is a hub-centric topology consisting of its switching centers located in Las Vegas, Chicago, Atlanta and New York which are collocation points situated in highly sophisticated environments where large numbers of network providers meet for interconnection among their networks. Petitioner further states that it has installed one soft-switch device and related equipment, router and border control devices at the above stated four locations that are connected to its network operations center in Las Vegas which will be sufficient to establish the national reach of its network. Petitioner states that it expects to deploy additional soft-switches as traffic volume increases in specific geographic areas and that all calls originating from or terminating to New Jersey residences and businesses will utilize the New York switching center. Petitioner states that it plans to offer local dial tone, message telephone, wide area telephone, foreign exchange, private lines, tie lines, access, local switch, business measured single line, private branch exchange trunks, direct inward dialing, measured and flat rate residential, access to telecommunications relay, universal lifeline, access to operator, directory assistance, 911 & E911 and any other types of telecommunications services in New Jersey. Petitioner states that it has no plans to build, locate, acquire or expand facilities in New Jersey. Petitioner further states that it maintains a toll-free number for customer service inquiries and that it will file a proposed tariff with the Board.

Petitioner requests a waiver of N.J.S.A. 48:3-7.8 and N.J.A.C. 14:1-4.3, which require that books and records be kept within the State of New Jersey and be maintained in accordance with the Uniform System of Accounts ("USOA"), respectively. In the interest of efficiency and to prevent undue burden, Petitioner requests permission to maintain its books and records in accordance with Generally Accepted Accounting Principles and to keep all books, records, documents and other writings incident to the conduct of Petitioner's business in the State of New Jersey at Petitioner's corporate office located in Las Vegas, Nevada. Petitioner also states, upon written notice from the Board and/or Board Staff, it will provide its books and records at such time and place within New Jersey as the Board may designate and will pay any reasonable expenses for examination of the records.

Petitioner asserts that approval of its Petition will further the public interest by expanding the availability of competitive telecommunications services in the State of New Jersey. Petitioner also asserts that approval of this Petition will provide New Jersey customers with access to new technologies and service choices and will permit customers to achieve increased efficiencies and cost savings.

With regard to its technical and managerial qualifications, CommPartners states that it possesses the technical capability and managerial qualifications to operate and manage its telecommunications operations in the State of New Jersey. Petitioner has submitted the professional biographies of its key personnel who, according to CommPartners, are well

qualified to execute its business plans and have extensive managerial and technical experience in the telecommunications industry.

DISCUSSION

On February 8, 1996, the federal Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56, codified in scattered sections of 47 U.S.C. §151 et seq., was signed into law, removing barriers to competition by providing that:

[n]o State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service.

[47 U.S.C. §253(a)].

Therefore, Board approval of Petitioner's entry into the telecommunications marketplace is required, assuming Petitioner is in compliance with the Board's filing requirements to provide telecommunications services in New Jersey.

In considering this Petition, the Board recognizes its obligation not to prohibit entry into intrastate telecommunications markets. 47 U.S.C. §253(a). The Board also considers the New Jersey State Legislature's declaration that it is the policy of the State to provide diversity in the supply of telecommunications services and the Legislature's findings that "competition will promote efficiency, reduce regulatory delay, and foster productivity and innovation" and "produce a wider selection of services at competitive market-based prices." N.J.S.A. 48:2-21.16(a)(4); N.J.S.A. 48:2-21.16(b)(1) and (3).

Therefore, having reviewed CommPartners' Petition and the information supplied in support thereof, the Board FINDS that the Petitioner is in compliance with the Board's filing requirements to provide telecommunications services in New Jersey. Accordingly, the Board HEREBY AUTHORIZES the Petitioner to provide local exchange and interexchange telecommunications services throughout New Jersey. The Board also FINDS that in accordance with N.J.S.A. 48:2-59 and 48:2-60 and N.J.S.A. 52:27E-61 and 52:27E-62, the Petitioner is subject to an annual assessment by both the Board and Division of Ratepayer Advocate, respectively. The Board notes that the Petitioner will not be permitted to provide telecommunications services until a tariff is filed with the Board.

The Board HEREBY ORDERS that:


- (1) Petitioner file its tariff with the Board.
- (2) Pursuant to N.J.S.A. 48:2-16(2)(b) and N.J.A.C. 14:3-6.3, Petitioner shall file an annual report as of December 31 of each year, which is due on or before March 31 of the following year. Pursuant to N.J.S.A. 48:2-16.3, if Petitioner fails to file an annual report by the due date, Petitioner shall be subject to a penalty of \$5.00 for each day thereafter until such report is filed.
- (3) Pursuant to N.J.S.A. 48:2-59 and 48:2-60, Petitioner shall file a statement of gross intrastate revenues from operations form (AR3-1) as of December 31 of each year, which is due on or before June 1 of the following year.

On or before February 1st of each year, the Petitioner will receive from the Division of Audits an annual report package and a statement of gross intrastate revenues from operations form for the preceding calendar year. The purpose of these documents is to report the Petitioner's financial information and gross intrastate revenues from operations as of December 31 of each year. The annual report and a statement of gross intrastate revenues from operations form are due on or before March 31 and June 1 of the following year, respectively. If Petitioner does not receive these documents, it is Petitioner's responsibility to obtain them from the Board. It is also the Petitioner's responsibility to ensure timely filing of these reports.


Regarding the Petitioner's request for waivers of the Board rules, the Board FINDS that the Petitioner has demonstrated good cause why the Board should grant relief from its requirements that the Petitioner maintain its books and records in accordance with USOA and within New Jersey. Therefore, subject to the Petitioner's continuing responsibility to provide the Board books and records upon forty-eight (48) hours notice, and in the manner requested, and to pay to the Board any reasonable expenses or charges incurred by the Board for any investigation or examination of these books and records, the Board APPROVES the Petitioner's request for the exemptions from maintaining its books and records in accordance with USOA and in New Jersey.

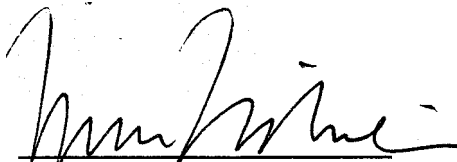
DATED: 2/2/06

BOARD OF PUBLIC UTILITIES
BY:

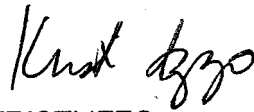

JEANNE M. FOX
PRESIDENT


FREDERICK F. BUTLER
COMMISSIONER

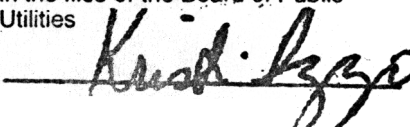

CONNIE O. HUGHES
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public
Utilities



IN THE MATTER OF THE VERIFIED PETITION OF COMMPARTNERS, LLC FOR A
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE LOCAL
EXCHANGE AND INTEREXCHANGE TELECOMMUNICATIONS SERVICES WITHIN
THE STATE OF NEW JERSEY

DOCKET NO. TE05090776

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